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January 7, 2022

VIA ELECTRONIC FILING

The Honorable Jocelyn Boyd Chief Clerk/Executive Director Public Service Commission of South Carolina 101 Executive Center Drive, Suite 100 Columbia, South Carolina 29210

Re: Dominion Energy South Carolina, Incorporated Coal Retirement Docket; Docket No. 2021-192-E

Dear Ms. Boyd:

With this letter, Dominion Energy South Carolina, Inc. ("DESC"), is filing the recently-completed Generation Transmission Impact Analysis Report ("TIA") concerning the potential early retirements of its Williams and Wateree coal-fired electric generating stations. As required by Order No. 2020-832 of the Public Service Commission of South Carolina (the "Commission"), and as referenced in DESC's Modified 2020 Integrated Resource Plan's ("IRP") Short-term Action Plan, DESC is evaluating the system impacts of the potential retirement of these generating stations to inform its 2023 IRP. Dominion Energy Services, Inc.'s Resource Planning Group requested the TIA by letter dated February 16, 2021, as modified on April 6, 2021, and May 13, 2021, all of which have been previously filed in this docket.

DESC's Transmission Planning Group prepared the TIA pursuant to this group's responsibility to ensure that any generation interconnected to the DESC transmission system is safe and reliable. Doing so requires analyzing proposed generation retirements and determining whether transmission system upgrades are necessary to accommodate retirements, interconnections and the resulting power flows.

The TIA is a preliminary assessment. It represents the Transmission Planning Group's initial assessment of the costs and timelines for meeting the transmission-related reliability requirements of the five cases presented for evaluation. The Transmission Planning Group will prepare more refined cost and time estimates using updated load forecasts, power flow data and other information after DESC submits a formal interconnection request under the Federal Energy Regulatory Commission ("FERC") approved DESC Large Generator Interconnection Process ("LGIP"). These additional analyses may include a Reliability Assessment Study along with System Impact Studies for the replacement generation. These can only be requested after actual projects with financial commitments have been established.

This TIA provides important information for assessing which of the five cases, or modified versions of them, merit further study and evaluation. That further study and evaluation will involve the Generation, Gas Supply Planning, and Resource Planning groups. It will further refine the forecasts, as relevant, concerning the cost and timing for procuring battery storage, solar, combined cycle and combustion turbine generation assets; determining the cost, timing and availability of potential off-system capacity purchases; and quantifying the cost and timing of natural gas pipeline construction and expansion projects necessary to provide natural gas service to combined cycle or combustion turbine generation assets under consideration. That later consideration is important. The required natural gas capacity for these units is anticipated to involve both interstate and intrastate pipeline expansion projects which are long-lead-time items.

These matters will be fully evaluated over the next few years through the Coal Retirement process, IRP docket, all-resource Request for Proposals, and subsequent Siting Act Applications. DESC will need to bring the results together, with appropriate stakeholder input and regulatory review, before a retirement decision can be made. After final decisions regarding the retirement of plants and corresponding resource replacements are made, DESC's Power Generation Operations Group must submit formal Interconnection Requests under the LGIP, which will be placed in the DESC Interconnection Request queue and formally studied by the DESC Transmission Planning Group.

The Transmission Planning Group prepared this TIA independently of the Resource Planning Group. However, DESC would like to correct statements made in the Status Report filed in this docket on September 30, 2021, regarding the level of independence required between these groups at this stage of the planning process. Consistent with FERC Order No. 717 and subsequent orders on clarification and rehearing, DESC's Transmission Planning Group and DESC's Power Generation Operations and Resource Planning Groups may share non-public transmission information in the development of long range planning and integrated resource planning of generation and transmission, so long as such non-public transmission information is not disclosed to marketing affiliates, which was not done here. Under these Orders, FERC would not have prohibited contact between the Power Generation Operations and Resource Planning Groups at this current stage of the planning process.

In the interest of openness and transparency, DESC posted the TIA on DESC's Open Access Information System ("OASIS") website on January 5, 2022. DESC is also transmitting this report to members of the DESC IRP Stakeholder Advisory Group which is providing stakeholder input for the coal retirement docket.

At the next meeting of the DESC IRP Stakeholder Advisory Group, DESC will present the TIA for review, comment and questions from stakeholders along with explanatory materials. Those materials along with stakeholder comments, questions and responses will be filed in this docket as well.

The version of the TIA that is provided here and on OASIS has been redacted to remove Critical Energy Infrastructure Information ("CEII") that DESC may not disclose for security reasons. However, parties that have signed CEII Confidentiality Agreements, or are willing to do so, may request the unredacted report from DESC.

Thank you for your attention to this matter. Please do not hesitate to contact us if you have any questions concerning this filing.

Respectfully submitted,

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cc: All counsel of record